

September 16, 2024

**Via Email**

Tom Ryan, Executive Director  
Real Estate Appraisers Board  
Department of Safety and Professional Services  
4822 Madison Yards Way  
Madison, WI 53705  
[Tom.Ryan@wisconsin.gov](mailto:Tom.Ryan@wisconsin.gov)

RE: ASC Compliance Review of Wisconsin's Appraiser Regulatory Program

Dear Tom Ryan:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Wisconsin appraiser regulatory program (Appraiser Program) on March 19-21, 2024, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) of the Wisconsin Appraiser Program is attached.

The ASC identified the following area of non-compliance:

- States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought.<sup>2</sup>
- States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances.<sup>3</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Wisconsin will remain on a two-year Review Cycle.

The final ASC Compliance Review Report (Report) of the Wisconsin Appraiser Program is attached.

---

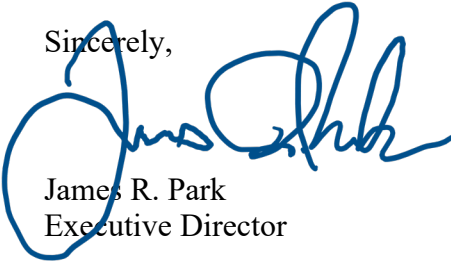
<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B.

<sup>3</sup> 12 U.S.C. § 3347; Policy Statement 7 B.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in blue ink, appearing to read "James R. Park", is written over the typed name and title.

James R. Park  
Executive Director

Attachment

cc: Brenda Taylor, Program Assistant Supervisor, [Brenda.Taylor@wisconsin.gov](mailto:Brenda.Taylor@wisconsin.gov)

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



## ASC State Appraiser Program Compliance Review Report

**ASC Finding: Good**

Final Report Issue Date: September 16, 2024

<b>Wisconsin Appraiser Regulatory Program (State)</b>			
<b>Wisconsin Real Estate Appraisers Board (Board)</b>	PM: M. Brown	ASC Compliance Review Date: March 19-21, 2024	Review Period: October 2022 to February 2024
Umbrella Agency: Department of Safety and Professional Services		Number of State Credentialed Appraisers on Appraiser Registry: 1,735	Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Statutes, Regulations, Policies and Procedures:</b>	X			No compliance issues noted.	N/A	None	None
<b>Temporary Practice:</b>	X			No compliance issues noted.	N/A	None	None
<b>National Registry:</b>	X			No compliance issues noted.	N/A	None	None
<b>Application Process:</b>		X		No compliance issues noted.	N/A	None	None
States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B.)				The State issued 1 appraiser credential to an applicant who had not met the AQB required education.	On June 21, 2024, the State reported it had issued an appraiser credential without proof of meeting the college education requirement, based on an incorrect calculation of the 5 year licensed appraiser alternative.  The State went on to say it reached out to the appraiser, who provided a copy of their Bachelor of Science diploma, and added the document to the individual's application file.  The State went on to say it drafted a work guide for staff to ensure all requirements are met prior to the issuance of a credential.	The State must monitor its new work guide to ensure that applicants have met the AQB required education for the credential sought.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 4.
<b>Reciprocity:</b>	X			No compliance issues noted.	N/A	None	None
<b>Education:</b>	X			No compliance issues noted.	N/A	None	None



## ASC State Appraiser Program Compliance Review Report

ASC Finding: Good  
 Final Report Issue Date: September 16, 2024

<b>Wisconsin Appraiser Regulatory Program (State)</b>					
<b>Wisconsin Real Estate Appraisers Board (Board)</b>		PM: M. Brown		ASC Compliance Review Date: March 19-21, 2024	
Umbrella Agency: Department of Safety and Professional Services			Number of State Credentialed Appraisers on Appraiser Registry: 1,735		Review Period: October 2022 to February 2024
Review Cycle: Two Year					

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Enforcement:</b>		X					
States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances. (12 U.S.C. § 3347; Policy Statement 7 B.)				The State had 49 aged complaints of which 44 were unresolved for more than 1 year and 5 were unresolved for more than 2 years without the exemption for special documented circumstances.	<p>On June 21, 2024, the State reported it had closed 20 of the 49 aged complaints as of June 17, 2024.</p> <p>The State went on to say of the remaining aged complaints, 11 have advanced from original assessment to investigation or legal action.</p> <p>The State went on to say its filed complaints had increased and the program was unsuccessful in obtaining funding and position authority to add staff to its program. As an alternative, the State contracted with appraisers to review and investigate complaints and has applied for funding from the ASC through a State Support Grant to hire an additional staff person to review and investigate complaints.</p>	The State must monitor its processes to ensure complaints are resolved timely and the backlog of aged complaints is eliminated.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 7.